IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO.157 OF 1997

The Commissioner of Income Tax
Nasik .. Applicant.
V/s.
Shri Ganesh SSk Ltd. Ganeshnagar
Post Ranjangaon, Tq.Kopargaon
Dist A'Nagar .. Respondent.

Mr.A.S. Rao with Mr.Pankaj Kapoor for the applicant.

Mr.S.N. Inamdar with Mr.P. Vaidya for the respondent.

**CORAM : V.C. DAGA &**
**J.P. DEVADHAR, JJ.**

**DATED : 19TH APRIL, 2005.**

P.C. :

1. Heard the learned counsel for the parties. The Tribunal has referred following questions for the opinion of this Court, reading as under :

> Whether on the facts and in the circumstances of the case, the Tribunal relying on the Special Bench decision in the case of Shri Chatrapati SSK Ltd. (198 ITR 78 - AT) was right in deleting the following additions by holding that the various funds and deposits are not trading receipts of the assessee as held by the Supreme Court in the case of Bazpur Co-op. Sugar Factory Ltd. (172 ITR 321) ?
>
> 1. Non-refundable deposit Rs. 4,18,880
> 2. Interest on N.R.D. Rs.23,58,700

2. In so far as all other items except interest on NRD is concerned, the issue is covered by the decision of the Apex Court in the case of **Siddheshwar**

**S.S.K. Ltd. V/s. CIT [(2004) 270 ITR 1 (SC)]** in favour of the assessee and against the revenue. So far as interest on NRD is concerned, the issue will have to be referred back to the Tribunal for consideration afresh as per the judgment of the Apex Court in the case of Siddheshwar S.S.K. Ltd. (supra). As such the said issue stands remanded back to the Tribunal for consideration afresh.

3. The reference is disposed of in the above terms with no order as to costs.

(V.C. DAGA, J.)

(J.P. DEVADHAR, J.)